

Message Text

PAGE 01 STATE 056346
ORIGIN AF-02

INFO OCT-01 ISO-00 EUR-02 /005 R

66011
DRAFTED BY AF/C:TPDOUBLEDAY
APPROVED BY AF/C:LDJUNIOR
-----120575 051208Z /11

R 042340Z MAR 78
FM SECSTATE WASHDC
TO AMEMBASSY BRUSSELS
AMEMBASSY THE HAGUE
AMEMBASSY COPENHAGEN

C O N F I D E N T I A L STATE 056346

BRUSSELS ALSO FOR USEEC

FOL RPT LAGOS 1955 SENT ACTION SECSTATE INFO BELGRADE, BONN,
BRAZZAVILLE, BUCHAREST, CAPETOWN, CONAKRY, DAKAR, DAR ES SALAAM,
GABORONE, HAVANA, KINSHASA, LIBREVILLE, LISBON, LONDON, LUSAKA,
MAPUTO, MOSCOW, OTTAWA, PARIS, PRETORIA, ROME & USUN NEW YORK
DTD 16 FEB 78

QUOTE:C O N F I D E N T I A L LAGOS 1955

CAPETOWN FOR EMBASSY

FROM EASUM

E.O. 11652: GDS
TAGS: PFOR, AO, US
SUBJECT: REPORT FROM LUANDA: FOUR DAYS IN FEBUARY

SUMMARY: FOLLOWING ARE SUMMARY OBSERVATIONS FROM A FOUR-DAY VISIT
TO LUANDA IN EARLY FEBRUARY. THE MPLA WOULD COLLAPSE WITHOUT
CUBAN ASSISTANCE, WHICH IS NOT ONLY A MILITARY NECESSITY BUT
CONFIDENTIAL

PAGE 02 STATE 056346

PROVIDES ESSENTIAL STAFFING FOR MAJOR ELEMENTS OF THE CENTRAL
GOVERNMENT STRUCTURE. UNITA IS AS STRONG AS EVER, AND THE MPLA'S
HOPED-FOR RECONCILIATION WITH MOBUTA HAS COLLAPSED. NAMIBIAN
INDEPENDENCE UNDER SWAPO CONTROL IS SEEN BY THE MPLA AS A CRITICAL
SINE QUA NON FOR A POLITICAL SETTLEMENT WITH UNITA; PENDING THAT
INDEPENDENCE, THE MPLA HAS OPTED FOR A MILITARY SOLUTION. WHEREAS
CUBANS ARE BOTH CURSED AND PRAISED, THE SOVIETS AND EAST
EUROPEANS ARE VILLIFIED MORE CONSISTENTLY. UNDER PRESENT CIRCUM-
STANCES, HOWEVER, THE MPLA HAS NO VIABLE ALTERNATIVES TO HEAVY
RELIANCE ON COMMUNIST AID. THE MORE LIBERAL WING OF THE PARTY IS

OFTEN OBLIGED TO GIVE IN TO THE MORE DOCTRINAIRE SOVIET WING. WITH THE EXCEPTION OF THE OIL SECTOR, WHERE PRODUCTION OF PREMIUM LIGHT CRUDE IS ON THE INCREASE AND FOREIGN COMPANIES ARE WELCOME, THE ANGOLAN ECONOMY IS A SHAMBLES. THE BULGARIANS AND THE CUBANS HAVE BEEN GIVEN MAJOR RESPONSIBILITIES IN AGRICULTURE BUT ARE FINDING IT TOUGH GOING. BOEING AIRCRAFT RECENTLY SOLD A THIRD 737 TO ANGOLA AIRWAYS AND IS EMBARKED ON A LUCRATIVE \$17 MILLION CONTRACT TO INSTALL AIR TRAFFIC CONTROL EQUIPMENT AT SIX MAJOR LOCATIONS. THE ANGOLAN GOVERNMENT REMAINS KEENLY INTERESTED IN NORMALIZING RELATIONS WITH THE US. IT WOULD ACCEPT NO PRE-CONDITIONS. THERE IS STRONG FEELING AMONG DIPLOMATIC CORPS REPRESENTATIVES IN LUANDA AND EUROPEAN BUSINESS REPRESENTATIVES THAT NORMALIZED RELATIONS WOULD PROVIDE AN IMPORTANT ADDITIONAL WINDOW TO THE WEST FOR A REGIME THAT MAY OTHERWISE BECOME MORE FIRMLY FROZEN IN ITS PRO-SOVIET INCLINATIONS. I FOUND INFORMATION IN LUANDA RELATIVELY EASY TO OBTAIN AND WOULD SUGGEST THAT THE DEPARTMENT MAY WISH TO CONSIDER PERIODIC INFORMATIONAL VISITS. END SUMMARY

1. ELUSIVE TRUTH

ANY REPORT ON CONTEMPORARY ANGOLA BASED ON A MERE FOUR DAYS EXPOSURE TO LUANDA MUST BE VIEWED WITH CONSIDERABLE RESERVE. SUBJECTED TO CONSTANT IDEOLOGICAL BOMBARDMENT
CONFIDENTIAL

PAGE 03 STATE 056346

BY PRESS AND RADIO/TV, WOODED BY SPECIAL PLEADERS OR WESTED INTERESTS, HARANGUED BY THOSE WHOSE EXPERIENCES HAVE TRAUMATIZED THEIR BETTER JUDGMENTS, AND TREATED WITH SUSPICION BY THE AVERAGE ANGOLAN FUNCTIONARY, THE SHORT-TIME AMERICAN VISITOR COMES AWAY WITH A KALEIDOSCOPIC ASSORTMENT OF IMPRESSIONS DIFFICULT TO EVALUATE AND RISKY TO SYNTHESIZE. IN VIEW OF OUR APPARENT PAUCITY OF INFORMATION ON CURRENT CONDITIONS IN ANGOLA, HOWEVER, IT MAY BE USEFUL FOR ME TO RECORD AS BEST I CAN THE PRINCIPAL THINGS I WAS TOLD AND THE MAJOR IMPRESSIONS I FORMED. (SEPERATE TELEGRAMS HAVE REPORTED ON ANGOLAN ATTITUTDES TOWARD THE NAMIBIAN PROBLEM AND ON PRESIDENT NETO'S RESPONSE TO THE WESTERN FIVE PROPOSAL. SEE USUN 427, PARIS 4057, AND LAGOS 1780.

2. MPLA BARELY ABOVE WATER.

WITH UNITA STILL STRONGLY ENTRENCHED SOUTH OF THE BENGUELA RAILWAY AND WITH THE FNLA STILL ACTIVE ALONG THE NORTHERN BORDER, NEARLY HALF THE COUNTRYSIDE ELUDES MPLA CONTROL. PUBLIC ADMINISTRATION IS A SHAMBLES, AND THE ECONOMY IS IN A STATE OF SHOCK. IDEOLOGICAL EXHORTATION OF DESPERATE INTENSITY SEEMS TO FALL ON DEAF POPULAR EARS, NEITHER COMPENSATING FOR NOR REMEDYING ROOT CAUSES OF THE MASSIVE SHORTFALL IN AHCIEVEMENT OF THE REVOLUTIONS OBJECTIVES. FEBRUARY 4 HEROES' DAY BETRAYED VACANT STREETS AND ROW AFTER ROW OF EMPTY SEATS AT CEREMONIES THAT WERE DESIGNED TO DEMONSTRATE POPULAR SUPPORT FOR THE REGIME BUT SEEM TO HAVE DONE JUST

THE OPPOSITE. MPLA ATTACKS ON THE CLERGY AND CLOSURE OF A CATHOLIC RADIO STATION PRODUCED SUCH BACKLASH THAT LUCIO LARA'S FEBRUARY 4 SPEECH CONTAINED AN OLIVE BRANCH.

3. UNITA

UNITA IS WELL ESTABLISHED AT THREE STRONG POINTS ALONG OR NEAR THE BENGUELA RAILWAY LINE: HUANBO, LUENA AND CAZOMBO. IT IS IN A POSITION TO INTERDICT MPLA ADMINISTRATION THROUGH MUCH OF THE ANGOLAN 'BREADBASKET' COUNTRYSIDE SOUTH OF THOSE
CONFIDENTIAL

PAGE 04 STATE 056346

STRONG POINTS AND ALL THE WAY DOWN TO THE BORDER WITH NAMIBIA. MPLA OFFICIALS WERE PERSUADED THAT UNITA IS SUPPORTED FROM THE SOUTH AFRICAN MILITARY BASE AT GROOTFONTEIN, WITH A MAJOR SUPPLY LINE RUNNING ALONG THE CUBONGO RIVER BORDER OF NAMIBIA AND ANGOLA. WHEREAS MOCAMEDES IS FIRMLY UNDER FMPLA/CUBAN CONTROL (THE CITY IS SAID TO BE SWARMING WITH CUBAN SOLDIERS), TRAVEL OUTSIDE THE CITY IS DANGEROUS. THE DRIVE FROM LUANDA TO QUIBALA IS SAFE, BUT FROM QUIBALA TO LOBITO REQUIRES CONVOY PROTECTION WHETHER VIA NOVA REDONDO OR VIA NORTON DE MATOS. THE FAPLA/CUBAN ARMY CANNOT DEFEAT UNITA ON THE GROUND. A MAJOR HEAVY-ARMOR EFFORT IN SEPTEMBER FAILED. UNITA FORCES SIMPLY MELTED INTO THE BUSH, TO COME BACK OUT AGAIN AFTER THE ARMOR HAD PASSED.

4. IMPORTANCE OF NAMIBIAN INDEPENDENCE

THE MPLA REGIME VIEWS NAMIBIAN INDEPENDENCE UNDER SWAPO OR SIMILARLY 'FRIENDLY' AEGIS AS A CRITICAL NECESSITY FOR ANGOLAN NATIONAL UNITY, AS INTERDICTION OF SUPPORT NOW BEING PROVIDED FROM NAMIBIA IS SEEN AS THE ONLY WAY TO BREAK UNITA'S HOLD ON THE SOUTH. IN ANTICIPATION OF NAMIBIAN INDEPENDENCE AND ITS IMPLICATIONS FOR THE FIGHT AGAINST UNITA, THE MPLA HAS CONSCIOUSLY DECIDED TO STICK WITH THE MILITARY OPTION IN SPITE OF ITS PRESENT STALEMATE RATHER THAN CONSIDER A POLITICAL SETTLEMENT WITH UNITA. THIS CRITICAL IMPORTANCE OF NAMIBIAN INDEPENDENCE FOR MPLA OBJECTIVES AND FOR ITS DESIRE TO CUT BACK ITS DEPENDENCY ON CUBAN FORCES WAS THE MAJOR FACTOR BEHIND THE CORDIALITY AND SERIOUS ATTENTION THAT NETO AND JORGE BESTOWED ON THE WESTERN FIVE PROPOSAL FOR NAMIBIA, PRESENTED TO THEM IN LUANDA FEBRUARY 4-8. PERHAPS IN SIMILAR ANTICIPATION OF THE EFFECTS OF UPCOMING NAMIBIAN INDEPENDENCE, UNITA IN RECENT DAYS APPEARS TO HAVE BEEN MORE ACTIVE-PERHAPS TO IMPROVE ITS POSITION IN ANY EVENTUAL POLITICAL BARGAINING.
CONFIDENTIAL

PAGE 05 STATE 056346

SOME SUGGEST IN ADDITION THAT UNITA MAY HAVE TAKEN HEART FROM REPORTED TRANSFERS OF SUBSTANTIAL CUBAN CONTINGENTS FROM ANGOLA TO ETHIOPIA.

5. FNLA

FNLA UNITS ARE ACTIVE ALONG THE NORTHERN BORDER AND IN THE VICINITY OF ASBORIZ AND AMBRIZETE. THEY ARE SIMILARLY EFFECTIVE ALONG WITH FLHC, IN CUBINDA (ESPECIALLY IN THE NORTH) WHERE SIGNIFICANT CUBAN CASUALTIES HAVE RECENTLY BEEN RELIABLY REPORTED. ANGOLAN RECONCILIATION WITH MOBUTU WAS SHORT-LIVED. AT THE MEETING WITH ZAIRE OFFICIALS IN JANUARY IN BRAZAVILLE TO DISCUSS NORMALIZED RELATIONS, THE ANGOLANS PRESENTED DETAILS, INCLUDING MAPS, ON FNLA AND FLEC INCURSIONS AND BASIS. ZAIRE 'DENIED EVERYTHING,' ACCORDING TO THE MPLA, AND THE DISCUSSIONS WERE BROKEN OFF. THE MPLA IS ALSO BITTER ABOUT MOBUTU BEING SO PROMINENTLY ACCOMPANIED BY HOLDEN ROBERTO DURING RECENT TRAVELS IN EUROPE.

6. THE CUBAN PRESENCE.

IT IS COMMON BELIEF AMONG QUALIFIED OBSERVERS IN LUANDA THAT THE MPLA REGIME WOULD QUICKLY FALL WITHOUT THE CUBAN PRESENCE. ENTIRE MINISTRIES ARE RUN VIRTUALLY FROM TOP TO BOTTOM BY CUBAN CIVILIANS. THESE INCLUDE HOUSING, .TRANS-PORTATION, FINANCE, FOREIGN TRADE, CONSTRUCTION, HEALTH, AND EDUCATION. IN CERTAIN CASES, CONSTRUCTION PROJECTS HAVE BEEN ASSIGNED IN TOTO TO CUBAN PLANNERS, DESIGNERS, ARCHITECTS, AND ORDINARY LABORERS. CUBAN CONTRIBUTIONS IN THE HEALTH FIELD HAVE BEEN ESPECIALLY IMPORTANT. THERE ARE MORE CUBAN DOCTORS CURRENTLY IN ANGOLA THAN THE TOTAL NUMBER OF DOCTORS OF OTHER NATIONALITIES. THE NUMBER OF CUBAN DOCTORS IS ESTIMATED AT BETWEEN 115 AND 150, WHEREAS THERE ARE REPORTED TO BE SOME 50 PORTUGUESE DOCTORS AND A TOTAL OF PERHAPS ONLY 50 OTHERS. ESTIMATES ON THE SIZE OF THE CUBAN PRESENCE RUN ANYWHERE FROM 15,000 TO 40, 000 SOLDIERS AND 2,000 TO 5,000 CIVILIAN TECHNICIANS AND LABORERS. IT REMAINS DIFFICULT TO CONFIDENTIAL

PAGE 06 STATE 056346

ASSESS THE EXTENT TO WHICH CUBAN TROOPS ACTUALLY PARTICIPATE IN DIRECT COMBAT AGAINST UNITA OR FNLA FORCES. THE FIRST LINE OF DEFENSE AGAINST UNITA AND FNLA IS SAID TO BE THE 'LOCAL DEFENSE FORCES' (MILITIA OR HOME GUARD?). THEN FAPLA MOVES INTO ACTION, WITH CUBAN TROOPS PROVIDING LOGISTICAL AND OTHER SUPPORT BUT BEING HELD OUT FROM COMBAT UNLESS ABSOLUTELY REQUIRED.

7. RUSSIANS AND EAST EUROPEANS

--THE NEXT LARGEST FOREIGN PRESENCE AFTER THE CUBANS IS THE RUSSIANS. THEIR NUMBERS ARE VARIOUSLY REPORTED TO BE BETWEEN 750 AND 1500. EXCEPT FOR SPECIAL ASSIGNMENTS IN COMMUNICATIONS (E.G., 'BUGGING' ALL DIPLOMATS' TELEPHONES), THEY ARE BELIEVED TO BE ASSIGNED ALMOST EXCLUSIVELY TO THE ANGOLAN ARMED FORCES, SERVING AS TRAINERS, TECHNICIANS, OR ADVISORS IN CONNECTION WITH THE UTILIZATION OF SOVIET ARMOR AND OTHER MILITARY EQUIPMENT PROVIDED TO THE FAPLA FORCES. SOVIET MILITARY PERSONNEL WEAR THE SAME OLIVE GREEN UNIFORMS WORN BY THE CUBANS BUT

ARE NOT READILY MISTAKEN. THERE ARE A FEW ISOLATED SOVIET TECHNICIANS IN CIVILIAN SECTORS; ONE RUSSIAN DOCTOR WAS REPORTEDLY PAID \$5000 A MONTH PLUS HOUSING FOR A BRIEF ASSIGNMENT, MUCH TO THE DISGUST OF OTHER LESS WELL PAID FOREIGN ADVISORS.

---NEXT IN LINE ARE THE BULGARIANS. PRESIDENT NETO RECENTLY ANNOUNCED A CEILING OF 1,000 BULGARINA ADVISORS AND TECHNICIANSBUT LESS THAN HALF THAT NUMBER ARE BELIEVED TO HAVE ARRIVED. AGRICULTURE, INCLUDING STAFFING OF IMPORTANT LEVELS OF THE MINISTRY, IS RESERVED FOR THE BULGARIANS. SUGAR AND COFFE, HOWEVER, HAVE BEEN ASSIGNED TO THE CUBANS. --THERE ARE PERHAPS A THOUSAND ADDITIONAL TECHNICIANS FROM SOCIALIST COUNTRIES, PARTICULARLY CZECHOSLOVAKIA, NORTH KOREA (IN TEXTILES), HUNGARY AND EAST GERMANY. --THE ANGOLAN BUDGET IS GRADUALLY PICKING UP THE SALARIES
CONFIDENTIAL

PAGE 07 STATE 056346

OF ALL FOREIGN TECHNICIANS BUT ONLY AT VERY MODEST LEVELS. CUBANS APPARENTLY ARE PAID LESS THAN SOVIETS AND EAST EUROPEANS. EAST EUROPEAN AMBASSADORS IN LUANDA HAVE COMMENTED THAT THEIR EXPORTS ARE NONE BOURGEOIS THAN THEIR CUBAN COUNTERPARTS AND WOULD BE UNWILLING TO COME TO A PLACE LIKE ANGOLA IN SUCH NUMBERS OR AT SUCH LOW PAY. SOVIET AND EAST EUROPEAN EXPERTS ARE OFTEN ASSIGNED FOR ONLY SEVERAL MONTHS AT A TIME, WHEREAS THE CUBANS APPEAR TO HAVE MUCH LONGER TOURS OF DUTY. IT IS WIDELY RECOGNIZED THAT THE CUBANS ARE THUS PERFORMING A UNIQUE SERVICE THAT NO ONE ELSE WOULD BE WILLING OR ABLE TO PROVIDE--EXCEPT PERHAPS THE PORTUGUESE, A POSSIBILITY RULED OUT BY THE CONTINUING STRAIN IN THE ANGOLAN/PORTUGUESE RELATIONSHIP.

--THE CUBANS ARE BOTH PRAISED AND CRITICIZED WHEREAS THE SOVIETS AND THE BLOC COUNTRIES ARE ALMOST UNIVERSALLY BAD-MOUTHED. STILL CIRCULATING IS A NASTY STORY, APPARENTLY PRETTY MUCH DISCREDITED, TO THE EFFECT THAT THE CUBANS WERE ACTIVELY BEHIND NITO ALVES' COUP ATTEMPT LAST APRIL. THEY 'SAVED' NETO SO THE STORY GOES, ONLY WHEN THEY SAW ALVES WASN'T GOING TO SUCCEED. OTHER STORIES RELATE THEFT OF ANGOLAN VEHICLES AND SHIPMENT TO CUBA IN SOVIET AIRCRAFT. WHEREASTHERE ARE OCCASIONAL REPORTS OF CUBAN PILLAGE OF VILLAGES, MASSACRE OF INNOCENT CIVILIANS, OR RAPE OF WOMEN, IT IS MORE OFTEN SAID THAT CUBAN SOLDIERS ARE WELL DISCIPLINED AND AT ANY RATE KEEP PRETTY MUCH TO THEMSELVES. A LONG-TIME PORTUGUESE RESIDENT TOLD ME THE CUBANS IN ANGOLA WERE INSOLENT AND IN FACT RACIST TOWARD BLACKS, BUT OTHER OBSERVERS SPOKE OF CUBANS' EMPATHY DERIVED FROM RACIAL AND LANGUAGE AFFINITIES. IT IS APPARENTLY EASIER FOR A CUBAN TO CONVERSE WITH AN ANGOLAN THAN FOR A SPANIARD FROM MADRID TO GET ON WITH A PORTUGUESE FROM LISBON.

8. RELATIONS WITH PORTUGAL

--ANGOLAN RELATIONS WITH PORTUGAL ARE STILL UNEASY. PORTUGUESE AMBASSADOR SA COUTINBO (WHO HAS BEEN LIVING IN A HOTEL

FOR THE PAST YEAR BECAUSE THE ANGOLAN GOVERNMENT COULDN'T OR
CONFIDENTIAL

PAGE 08 STATE 056346

WOULDN'T FIND HIM ANYTHING BETTER) IS PARTICULARLY BITTER ABOUT RECENT LEGISLATION THAT RESTRICTS FOREIGN TRAVEL BY ANGOLANS TO ONE TRIP IN THREE YEARS. THE ONLY EXCEPTIONS ARE MEDICAL OR IMMEDIATE-FAMILY EMERGENCIES. IN THE FORMER CASE, APPROVAL MUST BE OBTAINED FROM A MEDICAL REVIEW BOARD WHICH TAKES A LONG TIME TO MAKE ITS DECISION. AT ANY RATE VERY FEW AUTHORIZATIONS ARE APPROVED. ALTHOUGH THESE TRAVEL RESTRICTIONS ARE NOT COUNTRY-SPECIFIC, THE PORTUGUESE AMBASSADOR BELIEVES THEY ARE VERY CLEARLY DIRECTED AGAINST PORTUGAL AND ARE MOTIVATED AS MUCH BY ANTI-PORTUGUESE POLITICAL ANIMUS AS BY FOREIGN EXCHANGE CONSIDERATIONS.

9. MPLA POLITICS.

--AMBASSADOR SA CONTINHO SAYS THERE IS A DISCERNIBLE SPLIT WITHIN THE TOP RANKS OF THE MPLA. HE VIEWS THE PRIME MINISTER AND HIS TWO PRINCIPAL DEPUTIES, AND ESPECIALLY FORMER FOREIGN MINISTER EDUARDO SANTOS, AS FIRMLY PRO-USSR. THE THIRD DEPUTY, VAN DUNEN, IS FAR LESS DOCTRINAIRE, AS ARE THE MINISTER OF JUSTICE AND FOREIGN MINISTER JORGE. 'UNFORTUNATELY,' ACCORDING TO MANY WESTERN AMBASSADORS IN LUANDA, JORGE IS ONLY A SECOND-RANK MEMBER OF THE POLITBURO. NETO'S SYMPATHIES ARE SAID TO BE MORE WITH THE LIBERAL WING OF THE PARTY ELITE THAN WITH THE HARDLINE PRO-SOVIET GROUP, BUT HE IS OFTEN OBLIGED TO COMPROMISE HIS PERSONAL VIEWS IN DEFERENCE TO THE MILITANTS

9. ANGOLAN/US RELATIONS.

--ITALIAN AMBASSADOR GEORGIO VECCHI TOLD ME THAT FOUR AMBASSADORS HAD ON SEPARATE OCCASIONS AND WITHOUT COLLUSION PRESSED HIM TO URGE THE U.S. TO TAKE A FRESH LOOK AT THE QUESTION OF NORMALIZING ITS RELATIONS WITH ANGOLA. THE FOUR EMBASSIES WERE YUGOSLAVIA, ROMANIA, NIGERIA, AND GUINEA.
CONFIDENTIAL

PAGE 09 STATE 056346

IT WAS TO VECCHI THAT THEY MADE THEIR PITCHES BECAUSE OF HIS UNOFFICIAL ROLE IN WATCHING OVER U.S. INTERESTS IN ANGOLA AND BECAUSE HE IS KNOWN TO BE A FRIEND OF THE U.S. THERE WAS A COMMON THREAD IN EACH PRESENTATION, I.E., THAT WITHOUT ACCESS TO A BROADER ARRAY OF FOREIGN ASSISTANCE OPTIONS AND FOREIGN POLICY ALTERNATIVES, ANGOLA WOULD BECOME FROZEN IN ITS RELATIONSHIPS WITH THE BLOC, SIMILAR ARGUMENTS WERE PRESENTED TO ME BY PORTUGUESE REPRESENTATIVES OF AMERICAN OIL COMPANIES, AS WELL AS BY THE AMBASSADORS OR CHARGES' OF PORTUGAL, NIGERIA, BRAZIL, DENMARK, SWEDEN, THE NETHERLANDS, THE UNITED KINGDOM AND FRANCE.
--AMBASSADOR VECCHI VISITED THE TWO JAILED AMERICAN

'MERCENARIES' TWICE LAST YEAR. THE LAST VISIT WAS DECEMBER 31. HE SAYS THEY ARE NOT BEING MISTREATED. HE IS TRYING TO MAKE ARRANGEMENTS FOR THEM TO GET BETTER MAIL SERVICE. RIGID CENSORSHIP OF LETTERS IN BOTH DIRECTIONS COMPLICATES THE PROCEDURE. THE CASE OF BEGINOLD GAUSS HAS BEEN SOMEWHAT MORE DIFFICULT FOR VECCHI. GAUSS IS A FORMER CABINDA-GULF EMPLOYEE WHO RESIGNED TO JOIN THE ANGOLAN MINISTRY OF AGRICULTURE. HE WAS ARRESTED LAST SUMMER FOR SMUGGLING OF ARMS, ALTHOUGH VECCHI BELIEVES THE WEAPONS IN QUESTION MAY HAVE BEEN SIMPLY IMPORTED FOR HUNTING. HE HAS TRIED SEVERAL TIMES WITHOUT SUCCESS TO OBTAIN INFORMATION ABOUT THE CASE FROM THE MINISTRY OF EXTERNAL AFFAIRS AND TO OBTAIN PERMISSION TO VISIT GAUSS. HE SAYS THE MINISTRY HAS DIFFICULTY GETTING INFORMATION FROM THE MILITARY AUTHORITIES AND PARTICULARLY FROM OFFICIALS OF THE DEPARTMENT OF INTERNAL SECURITY. --PRIOR TO THE ARRIVAL IN LATE JANUARY OF THE NEW BRITISH CHARGE, JOHN FLYNN, VECCHI HAD RESPONSIBILITY FOR VISITING THE BRITISH MERCENARIES AS WELL AS THE AMERICANS. HE AND FLYNN BELIEVE IT IS PREFERABLE THAT HE MAINTAIN THE RESPONSIBILITY FOR VISITING THE AMERICANS, THUS IN EFFECT DOUBLING WESTERN DIPLOMATIC ACCESS TO THE ANGOLAN SECURITY AND PRISON APPARATUS AND MAXIMIZING OPPORTUNITIES FOR INFORMATION ON THE WELFARE OF THESE DETAINED INDIVIDUALS. THIS DECISION APPEARS EMINENTLY REASONABLE; I WOULD SUGGEST CONFIDENTIAL

PAGE 10 STATE 056346

THAT THE STATE DEPARTMENT ASK THE ITALIAN FOREIGN OFFICE TO INFORM VECCHI THAT WE CONCUR AND THAT WE LOOK FORWARD TO HIS CONTINUING GOOD EFFORTS. --GIVEN THE REMARKABLE AMOUNT OF TIME AND CAREFUL ATTENTION THAT PRESIDENT NETO AND FOREIGN MINISTER JORGE DEVOTED TO OUR PRESENTATION OF THE WESTERN FIVE PROPOSAL ON NAMIBIA, I FOUND NO APPROPRIATE OCCASION FOR DISCUSSION OF BILATERAL MATTERS. I DOUBT THERE WOULD HAVE BEEN MUCH MERIT IN SUCH CONVERSATION ANYWAY, GIVEN THE FULLNESS OF THE DISCUSSION DON MCHENRY HAD WITH JORGE LAST NOVEMBER AND THE FACT THAT THE POSITIONS OF NEITHER SIDE APPEAR TO HAVE CHANGED SINCE THEN. IN A BRIEF REFERENCE TO THE ISSUE AS WE SAID GOOD-BYE FOLLOWING OUR SECOND CONVERSATION FEBRUARY 6, NETO SAID TO ME 'WE ARE READY FOR YOU WHENEVER YOU ARE READY FOR US.' IT IS CLEAR HE WILL ACCEPT NO PRECONDITIONS. AS IMPLIED ABOVE, MPLA AND THE CUBANS ARE EACH OTHER'S CAPTIVES. NEITHER SIDE ENJOYS IT, BUT NEITHER SIDE CAN GET LOOSE. THERE MAY WELL BE NO POSSIBILITY OF CHANGE IN THIS PUSH-ME-PULL-YOU RELATIONSHIP UNTIL INDEPENDENCE IN NAMIBIA.

10. DIPLOMATIC CORPS

WHILE HALF OF THE 32 DIPLOMATIC ESTABLISHMENTS REPRESENTED IN LUANDA COULD BE CONSIDERED TO REPRESENT SOCIALIST OR COMMUNIST COUNTRIES, THE WEST IS SUBSTANTIALLY REPRESENTED (AUSTRIA, BELGIUM, BRAZIL, DENMARK,

GREAT BRITAIN, ITALY, THE NETHERLANDS, SWEDEN, SWITZERLAND). OTHER REPRESENTATIONS INCLUDE ZAMBIA, NIGERIA, GHANA, GABON AND EGYPT. WESTERN REPRESENTATIVES DO NOT APPEAR TO FARE ANY WORSE THAN THEIR 'PROGRESSIVE' COLLEAGUES IN THEIR DEALINGS WITH THE ANGOLAN GOVERNMENT. THEY ARE UNANIMOUS IN THEIR PRAISE OF FOREIGN MINISTER PAULO JORGE. NINE OF THE 32 EMBASSIES REPORT THAT THEIR CHIEFS OF
CONFIDENTIAL

PAGE 11 STATE 056346

MISSION WERE ON LEAVE OR ILL. NIGERIAN AMBASSADOR MUSA BELLO PROUDLY TOLD ME HE HAD VISITED LAGOS 26 TIMES IN TWO YEARS. IN AMNY CASES AMBASSADORIAL RESIDENCES ARE INFINITELY MORE PLEASANT THAN THE EMBASSY OFFICES (PARTICULARLY IF THE RESIDENCE IS IN THE MIRE-MAR 'HIGH RENT' DISTRICT), WITH THE RESULT THAT THE AMBASSADOR NEVET GOES TO THE OFFICE. DIPLOMAT CORPS DEAN IS CONGOLESE AMBASSADOR BENJAMIN BOUNKOWLOU.

11. ECONOMIC DIFFICULTIES.

--THE PETROLEUM SECTOR APPEARS TO BE THE ONLY EXCEPTION TO A GENERALLY DISMAL ECONOMIC PICTURE. PROTECTED BY SIZABLE CONTINGENTS OF CUBAN TROOPS, CABINDA-GULF IS PRODUCING AT PERHPS 180,000 BARRELS A DAY (LIGHT SWEET CRUDE). THIS IS PERHAPS ITS HIGHEST-EVER PRODUCTION FIGURE. TEXACO IS ABOUT TO SIGN A NEW CONTRACT PROVIDING FOR PRODUCTION INCREASES TO 35,000 BARRELS A DAY FROM FIELDS BOTH ON AND OFF SHORE JUST SOUTH OF THE CONGO RIVER MOUTH. TEXACO MIGHT REACH 50,000 BARRELS NEXT YEAR WITH THE ARRIVAL LATER THIS YEAR OF A NEW DRILLING RIG AND FOUR BOATS. IN ADDITION, OLDER WELLS WILL BE REPRESSURIZED. TEXACO HAS A SHARED OWNERSHIP ARRANGEMENT WITH PETROFINA OF BELGIUM. OTHER PRODUCTION IN WATERS SOUTH OF LAUNDA ADDS PERHAPS 25,000 BARRELS A DAY, THUS GIVING ANGOLA A TOTAL PRODUCTION OF APPROXIMATELY 1/4 MILLION BARRELS A DAY. THIS PRODUCTION PRODUCES A CURRENT INCOME ROUGHTLY CALCULATED AT 900 MILLION DOLLARS A YEAR. MOBIL HOPES SOON TO SIGN A CONTRACT FOR DEEP WATER DRILLING OFF CABINDA IN COLLABORATION WITH GULF AND POSSIBLY WITH AGIP. THE THIRD PARTNER WAS ORIGINALLY TO HAVE BEEN ELF BUT THE ANGOLAN GOVERNMENT WOULD NOT ACCEPT THEM BECAUSE OF ALLEGED FRENCH AID TO UNITA.
--MOBIL AND TEXACO EXECUTIVES FAMILIAR WITH THE NIGERIAN OIL SCENE TOLD ME THEY FIND IT EASIER TO WORK IN ANGOLA. ALTHOUGH SOMEWHAT APPREHENSIVE ABOUT THE TERMS OF THE NEW PETROLEUM LAW WHOSE PUBLICATION IS NOW EXPECTED WITHIN A MATTER OF WEEKS, FOREIGN OIL COMPANIES GENERALLY ENJOY A
CONFIDENTIAL

PAGE 12 STATE 056346

MORE COMFORTABLE ENVIRONMENT THAN THEIR COUNTERPARTS IN NIGERIA. FINANCIAL ARRANGEMENTS (16 2/3 PERCENT ROYALTY, 65.75 PERCENT TAX) ARE MORE LIBERAL WHEREAS POSTED AND SALES PRICES

ARE TIED TO NIGERIAN PRICES BUT ARE SOMEWHAT MORE FAVORABLE. THE INDIGENIZATION ISSUE IS SIMILARLY LESS DIFFICULT. THE PORTUGUESE DID FAR LESS TO TRAIN PETROLEUM TECHNICIANS AND TO PRODUCE AN EDUCATED ELITE THAN DID THE BRITISH IN NIGERIA. THUS THE ANGOLANS READILY RECOGNIZE AND ADMIT THEIR NEED FOR FOREIGN EXPERTISE. THE PRESSURES TO INDIGENIZE ARE FAR LESS AT THE MOMENT, ALTHOUGH FOREIGN COMPANIES ARE NOT SANGUINE THAT THESE PRESSURES WILL NOT COME IN DUE COURSE.

--THE AGRICULTURAL SIDE OF THE ECONOMY IS IN SHAMBLES. COFFEE PLANTATIONS UNTENDED THROUGHOUT THE WAR HAVE VIRTUALLY CEASED PRODUCTION. THE CUBANS HAVE A TARGET OF RESTORING COFFEE PRODUCTION TO AROUND 1/6 OF PRE-WAR LEVELS BUT MAY SUCCEED IN RAISING IT UP TO ONLY ABOUT 10 PERCENT. THE POTENTIAL IMPORTANCE OF COFFEE AS A MONEY EARNER IS SEEN FROM THE FACT THAT

AT CURRENT COFFEE PRICES, THE PRE-WAR HARVEST OF ANGOLA WOULD PRODUCE AS MUCH MONEY AS CURRENT PETROLEUM PRODUCTION.

-- SHIPS REACHING LUANDA PORT ARE DELAYED THREE MONTHS IN UNLOADING. IMPORTED FOOD AND OTHER IMPORTED MERCHANDISE ARE VIRTUALLY NON-EXISTANT ANYWAY, GIVEN THE DEPARTURE OF VIRTUALLY THE ENTIRE COMMERCIAL CLASS. TRANSPORTATION AND MARKETING ARRANGEMENTS FOR INDIGENOUS FOOD PRODUCTION DO NOT EXIST. THERE IS HARDLY A SINGLE OPERATING STORE, MARKET OR SHOP TO BE FOUND IN DOWNTOWN LUANDA. ONE SEES BLOCK AFTER BLOCK OF DESERTED SHOPS WITH BOARDED WINDOWS. ON THOSE RARE DAYS WHENONE OF THE FEW REMAINING MERCHANTS RECEIVES A SHIPMENT OF IMPORTED GOODS, HIS STORE ATTRACTS LONG LINES OF PURCHASERS MANY OF WHOM WILL THEN PROCEED TO BARTER WHAT THEY HAVE BOUGHT FOR OTHER

CONFIDENTIAL

PAGE 13 STATE 056346

COMMODITIES, PARTICULARLY FRESH FOOD. IT IS SAD THAT A NEW SHIRT OR A PAIR OF SHOES CAN BE TRADED IN THE COUNTRYSIDE OUTSIDE LUANDA FOR TWO GOATS.

--TAXI SERVICE DISAPPEARED FROM TOWN WHEN THE DRIVERS ALL WENT HOME TO PORTUGAL. RESTAURANTS HAVE VIRTUALLY DISAPPEARED, AND SERVICE IN THE HOTELS IS VIRTUALLY NON-EXISTENT. FOR TWO WEEKS LAST YEAR ALL RESIDENTS OF THE GOVERNMENT-OWNED PANORAMA HOTEL, THE BEST IN TOWN, WERE OBLIED TO FIND OTHER ROOMS WHILE THE HOTEL MANAGEMENT CONDUCTED AN ALL-OUT ATTACK AGAINST COCKROACHES AND RATS. VISITING BUSINESSMEN AND RESIDENT DIPLOMATS LODGED IN THE HOTELS TELL STORES ABOUT WEEK AFTER WEEK OF HOTEL MENUS LIMITED TO FISH AND RICE. ALL GUESTS NOW REGISTERING AT THE PANORAMA ARE GIVEN A NOTICE WHICH READS 'DUE TO OUR DIFFICULTIES WE BEG YOU TO AVOID INVITATIONS TO THE RESTAURANTS.'

13. BOEING BRIGHT SPOT

--A BRIGHT SPOT ON THIS SCENE IS THE ACTIVITY OF BOEING (SEATTLE), NOW WORKING ON A 17 MILLION DOLLAR CONTRACT TO INSTALL AIR-TRAFFIC CONTROL EQUIPMENT AT SIX MAJOR

LOCATIONS IN ANGOLA. EQUIPMENT HAS BEEN INSTALLED OVER THE PAST YEAR WITHOUT INCIDENT AT UCABINDA, LUANDA, AND MOCAMEDES. THE INSTALLATION AT THE AIRFIELD AT RUAMBO HAD TO BE MADE UNDER HEAVY ARMED GUARD DUE TO UNITA ACTIVITIES IN THE NEIGHBORHOOD. AN INSTALLATION IS PLANNED FOR LUSO BUT CANNOT MOVE AHEAD UNTIL UNITA TROOPS ARE PUSHED OUT OF THE AREA. A SIXTH INSTALLATION IS TO BE MADE AT CATUMBELA, BUT THIS HAS BEEN DELAYED FOR UNSPECIFIED REASONS. EIGHT BOEING TECHNICIANS ARE INVOLVED IN THIS PROJECT. THEY GENERALLY SPEND SIX WEEKS IN ANGOLA AND THEN A MONTH IN THE U.S. THE PERIOD OF ROTATIONAL ASSIGNMENT USED TO BE 10 WEEKS BUT THIS PROVED TOO ARDUOUS FOR THE PERSONNEL. --A THIRD BOEING 737 WAS RECENTLY PURCHASED BY ANGOLA AIRWAHS. THE CONTRACT HAD BEEN HELD UP FOR TWO MONTHS WHILE THE POLITBURO QUESTIONED IT ON IDEOLOGICAL GROUNDS. THE MINISTER OF CIVIL AVIATION MADE A DIRECT APPEAL TO CONFIDENTIAL

PAGE 14 STATE 056346

NETO ON THE EVE OF HIS DEPARTURE FOR HIS RECENT TRIP TO NIGERIA. NETO MADE A UNILATERAL DECISION IN FAVOR OF THE PURCHASE. HIS DECISION WAS REPORTEDLY INFLUENCED BY HIS PERSONAL BELIEF THAT RUSSIAN AIRCRAFT SOLD TO ANGOLA HAD BEEN 'A DISASTER.' HE PERSONALLY REFUSED TO FLY ANY RUSSIAN PLANE. THE YAK, FOR EXAMPLE, IS CRITICISED AROUND HOTEL BARS AS LOSING 60 PERCENT OF ITS EFFICIENCY WHEN IT FLIES OUT OF RUMABO, WHICH IS AT 5500 FEET ALTITUDE. RUSSIAN AIRCRAFT ARE SAID TO BE INAPPROPRIATE FOR ANGOLAN CONDITIONS.

14. INFORMATION-GATHERING VISITS TO LUANDA.

I FOUND LUANDA TO BE A MORE OPEN ENVIRONMENT THAN I HAD EXPECTED. MEMBERS OF THE DIPLOMATIC CORPS INDICATED TO ME THAT, COMPARED WITH MOST OF LAST YEAR, THERE IS INDEED LESS FEAR OF ARBITRARY VIOLENCE IN THE SOCIETY AND LESS OBVIOUS SUSPICION AND SURVEILLANCE OF FOREIGNERS. A CURFEW REMAINS IN EFFECT FROM MIDNIGHT TO 6 AM. I BELIEVE THERE IS A SUBSTANTIAL AMOUNT OF CURRENT INTELLIGENCE-TYPE INFORMATION THAT CAN BE ACQUIRED ON-THE-SPOT SIMPLY BY EYEBALL OBSERVATION AND NORMAL CONVERSATION WITH DIPLOMATIC CORPS REPRESENTATIVES, MEMBERS OF THE FIVE OR SIX INTERNATIONAL ORGANIZATIONS NOW ESTABLISHED IN LUANDA, REPRESENTATIVES OF AMERICAN AND OTHER BUSINESSES, ANGOLAN GOVERNMENT OFFICIALS, ETC. I WOULD SUGGEST THAT THE DEPARTMENT MAY WISH TO CONSIDER PERIODIC INFORMATION-GATHERING VISITS TO LUANDA. ANGOLAN GOVERNMENT PERMISSION OF COURSE WOULD BE REQUIRED. IT MIGHT OR MIGHT NOT BE GRANTED. ANGOLAN CONCURRENCE MIGHT BE MORE READILY OBTAINED IF A VISIT WERE TIED, AS IS THE CASE OF OUR CONTACT GROUP MISSION ON NAMIBIA, TO A SPECIFIC ISSUE ON WHICH WE WISHED TO OBTAIN ANGOLAN GOVERNMENT VIEWS. IT WOULD THEN BE RELATIVELY EASY TO ARRANGE FOR SEVERAL ADDITIONAL DAYS OF INNOCENT OBSERVATION OF THE LOCAL SCENE.

15. MAPS.

CONFIDENTIAL

PAGE 15 STATE 056346

EMBASSY WOULD FIND VERY USEFUL WHATEVER MAPS OF ANGOLA AND
NAMIBIA MAY BE READILY AVAILABLE.

16. END-USER EVALUATION.
WOULD APPRECIATE END-USER COMMENTS ON THIS MESSAGE. APOLOGIES FOR
LENGTH. DIFFICULT TO DISTINGUISH FROM HERE WHAT MAY BE TRIVIAL
OR OBVIOUS AND WHAT MAY BE NEWS. EASUM UNQUOTE
CHRISTOPHER

CONFIDENTIAL

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 sep 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INTERVENTION, VISITS, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Draft Date: 04 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE056346
Document Source: ADS
Document Unique ID: 00
Drafter: AF/C:TPDOUBLEDAY
Enclosure: n/a
Executive Order: 11652 GDS
Errors: n/a
Expiration:
Film Number: D780100-0180
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197803126/baaafbzu.tel
Line Count: 555
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Message ID: 0d685ebb-c288-dd11-92da-001cc4696bcc
Office: ORIGIN AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 11
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 13 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3165683
Secure: OPEN
Status: NATIVE
Subject: REPORT FROM LUANDA: FOUR DAYS IN FEBUARY
TAGS: PFOR, AO, US, CU, UNITA, MPLA
To: BRUSSELS THE HAGUE MULTIPLE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/0d685ebb-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014